5/027/073



United States Department of the Interior

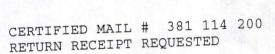
BUREAU OF LAND MANAGEMENT FILLMORE FIELD OFFICE

35 East 500 North Fillmore, UT 84631 http://enbb.blm.interwebdesign.com



IN REPLY REFER TO: 3800 (U-010) UTU-075878

September 9, 1999



DAVE PENNEY
PENNEY'S GEMSTONES
PO BOX 312
BEAVER UT 84713

Dear Mr. Penney:

Our office received your fax on September 1, 1999, informing us that you plan to begin operations this month on the notice located in Section 24, T. 25 S., R. 19 W., serialized UTU-075878, which was accepted by our office on July 29, 1998, and which we closed as of August 30,1999. Our inspections indicated there was no surface disturbance attributed to your notice.

Our office also received a letter on June 10, 1999, from the Division of Oil, Gas and Mining (UDOGM) informing us that they were closing your permit notice for the same location, due to the fact that they hadn't received the 1998 permit fees for this small mining project.

At this time this notice will remain as is, and due to a Memorandum of Understanding between our office and UDOGM, once we receive documentation that you have a current permit notice with UDOGM in place for this location, we may accept this notice (UTU-075878) in this office.

Sincerely,

DIV. OF OIL. GAS & MINING

Larry Garahana Geologist

Cy/Julin

Desiree Shotwell, 3748 N. Creek Road, Beaver Ut 84713

D. Wayne Hedberg, UDOGM (S/027/073)